

AMD17-133 4/15/08

**Bell, Leanne S (DOT)**

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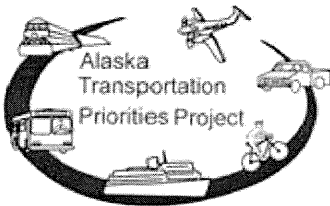
**From:** Lois Epstein [lois@aktransportation.org]  
**Sent:** Monday, April 14, 2008 5:03 PM  
**To:** DOT STIP  
**Subject:** FW: Lois Epstein Inquiry of 4-11-08 re STIP Amendment 17.doc  
**Attachments:** Lois Epstein Inquiry of 4-11-08 re STIP Amendment 17.doc

Based on the information in this document which I just received, I amend Alaska Transportation Priority Project's previous submittal to this docket on p. 3 from "the transaction costs total over \$200 million" to "the transaction costs total nearly \$200 million."

Thank you for including this information, including the attached memo, in the Draft Amendment 17 comment docket.

Lois N. Epstein, P.E.  
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*noting sensible transportation systems in Alaska*



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**From:** Hemenway, Kevin P (DOT) [mailto:kevin.hemenway@alaska.gov]  
**Sent:** Monday, April 14, 2008 4:37 PM  
**To:** Lois Epstein  
**Cc:** Niemiec, Andrew J (DOT); King, Ronald G (DOT); Jeff Ottesen  
**Subject:** Lois Epstein Inquiry of 4-11-08 re STIP Amendment 17.doc

Lois,

Attached is some information regarding your inquiry of Friday. I know it is likely to late today to be of much help, and I trust you put in a public comment regarding STIP Amendment 17 as you mentioned in your phone message. KABATA will assist ADOT&PF in responding appropriately to any comments received regarding the Knik Arm Crossing Project.

Best,

Kevin

To: Lois Epstein, Alaska Transportation Priorities Project  
From: Kevin P. Hemenway, CFO, KABATA  
Subject: Knik Arm Crossing STIP Amendment 17 (Projects 20254, 20255, 20256)  
Date: April 14, 2008  
cc: Andrew Niemiec, KABATA; Jeff Ottesen, Ron King, ADOT&PF

Dear Lois,

Thank you for your inquiry regarding the Knik Arm Crossing STIP Amendment 17 (projects 20254, 20255, 20256). In your email and voice message, you mentioned the \$845 million of Eligible Project Costs in original TIFIA application and that this did not correlate to the approximately \$603 million total for the three projects in STIP Amendment 17. This raised an inquiry by you as to whether estimated total project costs are properly reflected in STIP amendment 17.

The basic differences between the \$845 million in the original TIFIA application and the \$603 million for the STIP Amendment 17 are reconciled below (\$millions):

TIFIA Eligible Project Costs per application	\$845
Less:	
Development phase activities expended or obligated prior to FFY2008	(45)
Financing related costs	(176)
Upfront concession payment to state	(36)
Add:	
Point Mackenzie road costs (project 20254) not included in TIFIA application	<u>15</u>
STIP Project Costs FFY2008-FFY2010	<u>\$603</u>

Total Eligible Project Cost (corresponding to the \$845 million) is a TIFIA program definition under 23 USC §601 that includes elements of costs above those that are considered estimated total project cost as that term is used in 23 CFR §450. TIFIA Eligible Project Costs is used to determine the limitation of potential TIFIA loan participation in a project while 23 CFR §450 governs STIP requirements.

Notably, 23 CFR § 450.216(i) does not include financing related costs, which accounts for \$176 million of the difference. Regardless of definition semantics, STIP Amendment 17 is financially constrained and reflected in year of expenditure dollars as required under 23 CFR §450 with respect to projects 20255, 20256.

I trust this answers your inquiry. Please send me an email if you have any further request.